

05/07/07 MON 13:08 [TX/RX NO 7320] 0001

4. Our decision to suspend work remained in effect until January 21, 2006. On this date, we decided we were willing to resume work on the CABALLO AZTECA. At some time after the arrest and our suspension of work, we made a demand upon owners for a substantial payment. After the arrest, we required payment in advance before any work on the vessel would be performed. This had not been our policy before the arrest. Owners came up with the money we demanded on or about January 21, and this caused us to believe that, even though the vessel remained under arrest, we would be paid in full for our work. We therefore agreed to resume working on the CABALLO AZTECA.
5. Due to other projects at the shipyard, however, it took several weeks from the time we reached this decision before work on the CABALLO AZTECA could resume in earnest.
6. The work was completed and the vessel left the shipyard on or about July 27, 2006. I estimate that the work stoppage delayed completion of repairs to the vessel by approximately four months.

In accordance with 28 U.S.C. §1746, I attest under penalty of perjury under the laws of the United States that the statements above are true and correct to the best of my knowledge.

Signed this 7 day of May, 2007.

  
ADRIAN EGGENS